

**Exhibit 5**

**Declaration of Stephen C. Hackney**

**UNITED STATES BANKRUPTCY COURT  
EASTERN DISTRICT OF MICHIGAN**

In re	)	
	)	Chapter 9
	)	
CITY OF DETROIT, MICHIGAN,	)	Case No. 13-53846
	)	
Debtor.	)	Hon. Steven W. Rhodes
	)	

---

**DECLARATION OF STEPHEN C. HACKNEY IN SUPPORT  
OF THE MOTION OF SYNCORA GUARANTEE INC. AND  
SYNCORA CAPITAL ASSURANCE INC. TO (I) CONTINUE  
HEARING TO CONSIDER CONFIRMATION OF DEBTOR'S  
PLAN OF ADJUSTMENT AND (II) EXTEND RELATED DEADLINES**

---

1. I am a partner of Kirkland & Ellis LLP, attorneys for Syncora Guarantee Inc. and Syncora Capital Assurance Inc. ("Syncora") in the above-captioned action. I submit this declaration in support of the *Motion of Syncora Guarantee Inc. and Syncora Capital Assurance Inc. to (I) Continue Hearing to Consider Confirmation of Debtor's Plan of Adjustment and (II) Extend Related Deadlines* (the "Motion to Continue").<sup>7</sup>

---

<sup>7</sup> Capitalized terms not defined herein have the meaning ascribed to them in the Motion to Continue.

2. I believe that Syncora and other parties in interest have yet to receive significant Plan documents from the City. Specifically, Syncora has not yet received the following:

- ***Definitive Documents Regarding the DIA “Grand Bargain.”*** In spite of the mediators’ and City’s announcement of the Grand Bargain as long ago as January 2014, and approval of the deal by the Michigan legislature over a month ago on June 3, 2014, the City has not filed the definitive documents for the transactions.
- ***Terms and Any Documents Regarding the LTGO Settlement.*** The City recently announced that it reached a settlement with holders of Limited Tax General Obligation Bond Claims. Nonetheless, the City has yet to provide any terms or documents regarding this settlement. The City has not filed even a term sheet—Syncora has received only an informal outline of the economic terms of the deal in an e-mail from the City’s counsel. Syncora may have objections to the LTGO Settlement, including to the extent the Plan treats the Limited Tax General Obligation Bond Claims—which are unsecured—better than COP Claims. At this time, though, Syncora has received nothing it can evaluate regarding the LTGO Settlement.
- ***Terms and Documents Regarding New Labor Agreements.*** The City has announced new collective bargaining labor agreements with certain of its employees represented by labor unions. While Syncora has received copies of 40 of the City’s proposed 47 CBAs, the City has not provided any information at all regarding many of the other proposed new CBAs, and so Syncora (and all other third parties) remain unable to consider them. The CBAs that remain undisclosed include the City’s agreements with significant labor unions.
- ***Definitive Documents Regarding the UTGO Settlement.*** Syncora has challenged the legality of the UTGO Settlement under both Michigan state law and bankruptcy law. Although the Plan and the Disclosure Statement describe the UTGO Settlement and provide a term sheet, this information remains subject in its entirety to the definitive documents. While the City agreed to the principal terms of the UTGO Settlement on

March 25, 2014, Syncora has still never seen the definitive documents, which are the subject of ongoing negotiation.

- ***Definitive Documents Regarding the OPEB Settlements.*** The City has not provided definitive documents for the OPEB settlements.

3. I understand that the City is currently engaged in ongoing negotiations with holders of DWSD Bonds and related claims to determine whether the City enters into a public-private partnership with respect to the DWSD.

4. I also understand that the City failed to complete production of documents responsive to requests regarding confirmation before the Court-ordered June 20, 2014 deadline. Indeed, though the City represented to the Court that it had completed its document production by June 20, since that date, the City has provided the objectors with eight additional productions containing thousands of pages that Syncora has had to review.

I declare under penalty of perjury that the foregoing are true and correct to the best of my knowledge, information, and belief.

Dated: July 18, 2014

/s/ Stephen C. Hackney

Stephen C. Hackney